

FORM  
2

Rev  
12/05

State of Colorado  
Oil and Gas Conservation Commission

1120 Lincoln Street, Suite 801, Denver, Colorado 80205 Phone: (303) 894-2100 Fax: (303) 894-2109



|    |    |    |    |
|----|----|----|----|
| DE | ET | OE | ES |
|----|----|----|----|

Document Number:

400112701

Plugging Bond Surety

20100210

APPLICATION FOR PERMIT TO:

1. ☒ Drill, ☐ Deepen, ☐ Re-enter, ☐ Recomplete and Operate

2. TYPE OF WELL

OIL ☐ GAS ☐ COALBED ☒ OTHER \_\_\_\_\_  
SINGLE ZONE ☐ MULTIPLE ZONE ☒ COMMINGLE ZONE ☐

Refilling ☒

Sidetrack ☐

3. Name of Operator: XTO ENERGY INC

4. COGCC Operator Number: 100264

5. Address: 382 CR 3100

City: AZTEC State: NM Zip: 87410

6. Contact Name: Kelly Kardos Phone: (505)333-3145 Fax: (505)213-0546

Email: kelly\_kardos@xtoenergy.com

7. Well Name: APACHE CANYON Well Number: 09-08

8. Unit Name (if appl): \_\_\_\_\_ Unit Number: \_\_\_\_\_

9. Proposed Total Measured Depth: 2205

WELL LOCATION INFORMATION

10. QtrQtr: SENE Sec: 9 Twp: 34S Rng: 67W Meridian: 6

Latitude: 37.100695 Longitude: -104.886687

Footage at Surface: 1925 feet FNL/FSL FNL 753 feet FEL/FWL FEL

11. Field Name: PURGATOIRE RIVER Field Number: 70830

12. Ground Elevation: 7655 13. County: LAS ANIMAS

14. GPS Data:

Date of Measurement: 11/09/2010 PDOP Reading: 6.0 Instrument Operator's Name: GARY TERRY

15. If well is ☐ Directional ☐ Horizontal (highly deviated) **submit deviated drilling plan.**

Footage at Top of Prod Zone: FNL/FSL \_\_\_\_\_ FEL/FWL \_\_\_\_\_ Bottom Hole: FNL/FSL \_\_\_\_\_ FEL/FWL \_\_\_\_\_

Sec: \_\_\_\_\_ Twp: \_\_\_\_\_ Rng: \_\_\_\_\_ Sec: \_\_\_\_\_ Twp: \_\_\_\_\_ Rng: \_\_\_\_\_

16. Is location in a high density area? (Rule 603b)? ☐ Yes ☒ No

17. Distance to the nearest building, public road, above ground utility or railroad: 2 mi

18. Distance to nearest property line: 2460 ft 19. Distance to nearest well permitted/completed in the same formation: 1706 ft

20. LEASE, SPACING AND POOLING INFORMATION

| Objective Formation(s) | Formation Code | Spacing Order Number(s) | Unit Acreage Assigned to Well | Unit Configuration (N/2, SE/4, etc.) |
|------------------------|----------------|-------------------------|-------------------------------|--------------------------------------|
| RATON                  | RTON           |                         |                               |                                      |
| VERMEJO                | VRMJ           |                         |                               |                                      |

21. Mineral Ownership: ☒ Fee ☐ State ☐ Federal ☐ Indian Lease #: \_\_\_\_\_

22. Surface Ownership: ☐ Fee ☒ State ☐ Federal ☐ Indian

23. Is the Surface Owner also the Mineral Owner? ☐ Yes ☒ No Surface Surety ID#: \_\_\_\_\_

23a. If 23 is Yes: Is the Surface Owner(s) signature on the lease? ☐ Yes ☒ No

23b. If 23 is No ☒ Surface Owners Agreement Attached or ☐ \$25,000 Blanket Surface Bond ☐ \$2,000 Surface Bond ☐ \$5,000 Surface Bond

24. Using standard QtrQtr, Sec, Twp, Rng format enter entire mineral lease description upon which this proposed wellsite is located (attach separate sheet/map if you prefer):  
SEE ATTACHED

25. Distance to Nearest Mineral Lease Line: 2460 ft 26. Total Acres in Lease: 22317

### DRILLING PLANS AND PROCEDURES

27. Is H2S anticipated? ☐ Yes ☒ No If Yes, attach contingency plan.

28. Will salt sections be encountered during drilling? ☐ Yes ☒ No

29. Will salt (>15,000 ppm TDS CL) or oil based muds be used during drilling? ☐ Yes ☒ No

30. If questions 27 or 28 are yes, is this location in a sensitive area (Rule 903)? ☐ Yes ☐ No If 28, 29, or 30 are "Yes" a pit permit may be required.

31. Mud disposal: ☒ Offsite ☐ Onsite

Method: ☐ Land Farming ☐ Land Spreading ☐ Disposal Facility Other: BURY/HAUL

Note: The use of an earthen pit for Recompletion fluids requires a pit permit (Rule 905b). If air/gas drilling, notify local fire officials.

| Casing Type | Size of Hole | Size of Casing | Wt/Ft      | Csg/Liner Top | Setting Depth | Sacks Cmt | Cmt Btm | Cmt Top |
|-------------|--------------|----------------|------------|---------------|---------------|-----------|---------|---------|
| CONDUCTOR   | 17+1/2       | 13+3/8         | 54         |               | 45            | 98        | 45      | 0       |
| SURF        | 11           | 8+5/8          | 24         |               | 525           | 350       | 525     | 0       |
| 1ST         | 7+7/8        | 5+1/2          | 15.5       |               | 2,205         | 100       | 2,205   | 1,510   |
|             |              |                | Stage Tool |               | 1,510         | 240       | 1,510   | 0       |

32. BOP Equipment Type: ☐ Annular Preventer ☐ Double Ram ☒ Rotating Head ☐ None

33. Comments There is a water well within 1 mile of the proposed location (DOW A1). Add'l surf csg is required.

34. Location ID: 309557

35. Is this application in a Comprehensive Drilling Plan ? ☐ Yes ☐ No

36. Is this application part of submitted Oil and Gas Location Assessment ? ☒ Yes ☐ No

I hereby certify all statements made in this form are, to the best of my knowledge, true, correct, and complete.

Signed: \_\_\_\_\_ Print Name: Kelly K. Kardos

Title: Sr. Permitting Tech Date: 1/6/2011 Email: kelly\_kardos@xtoenergy.com

Based on the information provided herein, this Application for Permit-to-Drill complies with COGCC Rules and applicable orders and is hereby approved.

COGCC Approved: David S. Neslin Director of COGCC Date: 1/28/2011

|                               |                      |                                   |
|-------------------------------|----------------------|-----------------------------------|
| API NUMBER<br>05 071 09692 00 | Permit Number: _____ | Expiration Date: <u>1/27/2013</u> |
|-------------------------------|----------------------|-----------------------------------|

CONDITIONS OF APPROVAL, IF ANY: \_\_\_\_\_

All representations, stipulations and conditions of approval stated in the Form 2A for this location shall constitute representations, stipulations and conditions of approval for this Form 2 Permit-to-Drill and are enforceable to the same extent as all other representations, stipulations and conditions of approval stated in this Permit-to-Drill.

|  |
|--|
|  |
|--|

### Attachment Check List

| Att Doc Num | Name                 |
|-------------|----------------------|
| 400112701   | FORM 2 SUBMITTED     |
| 400112739   | LEASE MAP            |
| 400112740   | SURFACE AGRMT/SURETY |
| 400112756   | PROPOSED BMPs        |
| 400121279   | WELL LOCATION PLAT   |
| 400121280   | CONSULT NOTICE       |
| 400121281   | WAIVERS              |
| 400121801   | TOPO MAP             |

Total Attach: 8 Files

### General Comments

| User Group | Comment   | Comment Date            |
|------------|---|-------------------------|
| Permit     | PERMITTING PASSED- JLV  | 1/25/2011<br>3:40:39 PM |
| Permit     | I spoke with Al Trujillo Colorado Department of Wildlife (CDOW) about XTO Energy's proposed locations in the Bosque Del Oso State Wildlife Area (SWA). Al Trujillo (CDOW) and his staff are aware of XTO Energy's plans for the proposed locations and further, there is an existing SUA in place for operations in this area; I also spoke with Kyla Vaughn (XTO Energy Inc.) and they are currently operating in the Bosque Del Oso SWA under the original SUA executed by Williams and CDOW. JLV | 1/25/2011<br>3:40:38 PM |
| Engineer   | 1) Provide 48 hour notice of MIRU to John Duran at 719-846-4715 or email John.Duran@state.co.us.<br>2) Provide cement coverage of production casing from TD to 50' above surface casing shoe. Verify coverage with cement bond log.<br>3) Immediately cease operations and notify the COGCC in the event of any operational problem that could potentially impact water wells in the area.  | 1/18/2011<br>4:27:11 PM |

Total: 3 comment(s)

### BMP

| Type | Comment |
|------|---------|
|      |         |

Total: 0 comment(s)